

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

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JUL 8 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY
RM - 8480

In the Matter of)
)
Amendment of Part 36 and Part 69)
of the Commission's Rules to)
Effect Comprehensive Reform of the)
Access Charge System)

COMMENTS OF SPRINT CORPORATION

Sprint Corporation hereby submits its comments on the above-captioned Petition for Rulemaking of the Ad Hoc Telecommunications Users Committee, filed April 15, 1994. In its Petition, Ad Hoc urges the Commission to commence rulemaking proceedings to undertake fundamental reforms of the Part 69 access charge rules and Part 36 separations rules in order to ensure that those rules reflect technological and marketplace developments and facilitate competition in exchange access and local exchange services, while providing appropriately for attainment of the Commission's universal service objectives.

Sprint believes Ad Hoc is now on the right track.¹ The Ad Hoc Petition follows other requests for similar, wide-ranging inquiries into access charge, separations, and/or universal service reform.² Indeed, for more than three years,

¹ As Ad Hoc notes (at 4), it previously opposed a comprehensive overhaul of access and separation rules.

² See, e.g., Petition of MFS Communications Company, Inc. for a Notice of Inquiry and En Banc Hearing, RM-8388; NARUC's Request for a Notice of Inquiry Concerning Access Issues (DA 93-847); and the Common Carrier Bureau's Access Reform Task Force staff analysis dated April 30, 1993.

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Sprint has urged the Commission to commence a comprehensive review of access charge and separations rules to take account of technological changes and the evolving local competitive environment, to assure that particular carriers are not placed at a competitive disadvantage by the Commission's rules, and to avoid burdening customers of particular LEC services with costs that properly should be borne by other rate payers.³ Sprint believes that if the Commission's efforts to promote local competition are to succeed, it is important that access charges -- and the separations rules that "feed" them -- establish the proper economic signals so as to encourage economic entry, move prices for all LEC services closer to costs, and avoid placing either would-be entrants or incumbent LECs at an unfair disadvantage.

While Sprint believes there is much merit in the various proposals advanced in Ad Hoc's petition and in the accompanying report of Economics and Technology, Inc.,⁴ Sprint does not necessarily endorse all aspects of those proposals.⁵ Nonetheless, Sprint believes that it is more important at this

³ See, e.g., Reply Comments of US Sprint, filed March 22, 1991 in CC Docket No. 78-72, at 28-32; and US Sprint's August 16, 1991 Comments in CC Docket No. 91-141, at 10-13.

⁴ Sprint agrees with Ad Hoc (at 7-8) that universal service should primarily be targeted at those end users in genuine need and that support to companies serving high-cost exchanges be designed to offset the intrinsically high costs of serving such exchanges without underwriting inefficiency in the provision of service.

⁵ For example, Sprint is not prepared to endorse the proposed Jurisdictional Transfer Mechanism outlined in the ETI report as a substitute for detailed separations reform.

time to initiate a comprehensive review of access and separations rules than to debate the merits of any single approach to access and separations reform. Although it would involve an additional step, Sprint believes that the most productive and efficient procedure would be to issue a notice of inquiry inviting comment by all interested segments of the telecommunications community on the scope of the issues that should be explored and the procedures to be employed⁶ rather than to issue a notice of proposed rulemaking directed at the specific issues delineated in Ad Hoc's petition.

Accordingly, Sprint urges the Commission to promptly commence an inquiry that consolidates the Ad Hoc petition and

⁶ E.g., whether there should be separate, simultaneous proceedings on access rules, separations and universal service, or whether certain issues should be addressed only after others have been resolved.

the petitions previously filed by NARUC and MFS, and to seek industry comment on the issues that should be explored and procedures to be employed in such an undertaking.

Respectfully submitted,

SPRINT CORPORATION

A handwritten signature in dark ink, appearing to read "Leon M. Kestenbaum", is written over the printed name.

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July 8, 1994

CERTIFICATE OF SERVICE

I, Joan A. Hesler, hereby certify that on this 8th day of July, 1994, a true copy of the foregoing **COMMENTS OF SPRINT CORPORATION** was served U.S First Class Mail, postage prepaid, or hand delivered, to each of the parties listed below.


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